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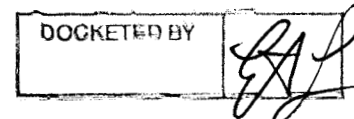
Arizona Corporation Commission
Docket Control
1200 W. Washington Street
Phoenix Arizona 85007-2927

ORIGINAL

Arizona Corporation Commission
DOCKETED

JAN 15 2015

Re: Docket No. T-20849A-140386



Dear Pamela:

Toly Digital Networks, Inc. submitted the enclosed data request and exhibits to satisfy the request mailed on December 11, 2014.

These are now being submitted in original and 13 copies as required by the Docketing Office.

Please contact me directly with any additional data requests or questions.

Respectfully yours,

Samantha Maqueo
Regulatory Affairs
GSAssociates
678-786-4200

COMMISSIONERS
BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH



JODI JERICH
Executive Director

ARIZONA CORPORATION COMMISSION

December 11, 2014

CERTIFIED MAIL

Ms. Samantha Maqueo
Regulatory Affairs
GSAssociates, LLC
6250 Shiloh Road, Suite 240
Alpharetta, Georgia 30005

RE: STAFF'S FIRST SET OF DATA REQUESTS TO TOLY DIGITAL NETWORKS, INC.
DOCKET NO. T-20849A-14-0386

Dear Ms. Maqueo:

On November 12, 2014, Toly Digital Networks, Inc. ("Toly Digital Networks") filed an Application for a Certificate of Convenience and Necessity ("CC&N") to provide resold long distance telecommunications services within the State of Arizona. While the Application is not yet sufficient, this data request lists the information that Staff needs to further its analysis of the Application. Please treat this as Staff's First Set of Data Requests to Toly Digital Networks in the above-referenced matter.

For purposes of this data request set, the words "Toly Digital Networks", "Applicant", "the Company", "you", and "your" refer to Toly Digital Networks, Inc. and any representative, including every person and/or entity acting with, under the control of, or on behalf of Toly Digital. For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided. These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please provide the information being requested within **thirty (30) days** of the date of this letter. Mail the responses to Pamela Genung, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. Please note that replacement tariff pages, updated responses to Application questions, and the Affidavit of Publication must be filed with Docket Control by including an original and thirteen (13) copies to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. Remember that information submitted for a CC&N will be made a part of the public record (including financial statements). If you have any questions, please contact me at (602) 542-0664. Thank you for your prompt response to this request.

Respectfully,

Pamela J. Genung
Executive Consultant III
Utilities Division

PJG:tdp

**STAFF'S FIRST SET OF DATA REQUESTS FOR
TOLY DIGITAL NETWORKS, INC.
DOCKET NO. T-20849A-14-0386**

Please make sure each numbered item and each part of the item is answered completely. In order for Staff to continue with its review of this Application, the following information must be submitted:

PJG 1-1 Please provide a response to item (A-11) of the Application.

Response: The issue was settled with the FCC via the below consent decree.

https://apps.fcc.gov/edocs_public/attachmatch/DA-11-1197A1.pdf

Applicant immediately hired our consulting firm to begin filing all required FCC and State PUC filings. See Exhibit A

PJG 1-2 Please provide a response to item (A-12) of the Application.

Response: The issue was settled with the FCC via the below consent decree.

https://apps.fcc.gov/edocs_public/attachmatch/DA-11-1197A1.pdf

Applicant immediately hired our consulting firm to begin filing all required FCC and State PUC filings. See Exhibit A

PJG 1-3 Please describe in detail the involvement and resolution of Toly Digital Networks, any of its officers, directors, partners, or managers in Federal Communications Commission DA 11-1197, File No. EB-08-TG-5721, NAL/ Acct. No. 200932170830, FRN: 0004344990.

Response: The issue was settled with the FCC via the below consent decree.

https://apps.fcc.gov/edocs_public/attachmatch/DA-11-1197A1.pdf

Applicant immediately hired our consulting firm to begin filing all required FCC and State PUC filings. See Exhibit A

PJG 1-4 As required in item (A-16) of the Application, please publish a legal notice in all counties where Toly Digital Networks is requesting authority to provide service. Refer to the Commission's website for Legal Notice Material (Newspaper information, Sample Legal Notice, and Affidavit of Publication).

Response: Legal notice will be filed in all counties and an affidavit will also be sent to Docket Control.

An Affidavit of Publication will also need to be filed with Docket Control as indicated in item (A-16) of the Application.

PJG 1-5 In response to item (A-18) of the Application, Toly Digital Networks listed the States in which it has had an application approved or denied to offer similar telecommunications services that it intends to offer in Arizona. The State of Illinois was not listed. Staff has located State of Illinois, Illinois Commerce Commission, Docket No. 14-0488 approving Toly Digital Network's Application for a Certificate to become a Telecommunications Carrier, dated September 18, 2014.

**STAFF'S FIRST SET OF DATA REQUESTS FOR
TOLY DIGITAL NETWORKS, INC.
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- a. Please specify the reason(s) why Illinois was not included in Toly Digital Network's response to (A-18);

Response: The IL approval was a timing issue on the part of the firms application. The approval on 9/19/2014 was received after the processing of the original application sent to Arizona in October and signed by client in August of 2014.

- b. Are there any other States that were not included in Toly Digital Network's response to (A-18) and/or item (A-19);

Response: No

- c. Please provide an updated response to item (A-18), and (A-19) if needed, of the Application.

Response: The states of IL is the only addition to date.

PJG 1-6

As indicated in response to (B-2) of the Application, at Attachment D, Toly Digital Networks states "Company Considers this Proprietary Information". Please specify the reasons for confidentiality of Toly Digital Network's financial statements.

Response: Toly fears that information in these reports would be used by its competitors in a manner that would prove unfair in the marketplace. The Petitioner's competitors would be able to use the information to make informed estimates regarding the number of the Petitioner's clients, as well as the amount of service fees charged by the Petitioner to its clients. This information will give an unfair advantage to the competitors of the Petitioner and would substantially harm business operations.

PJG 1-7

Should Staff agree to a confidentiality agreement of the financial statements, please acknowledge that Toly Digital Networks will still be required to allow Staff to include four figures in its Staff Report – Net Income, Total Assets, Total Equity, and the Net Book Value of all Arizona jurisdictional assets. The Staff Report will be made available on the Commission's publicly accessible e-docket system.

**STAFF'S FIRST SET OF DATA REQUESTS FOR
TOLY DIGITAL NETWORKS, INC.
DOCKET NO. T-20849A-14-0386**

Response: Toly will agree.

PJG 1-8 Please provide a description of telecommunications experience and specify the number of years of telecommunications experience of each of the four officers/directors listed in Attachment A of Toly Digital Network's Application.

Response: Please See Exhibit B

PJG 1-9 Please describe Aaron, Nancy, and Mark Suto's association with Covoda Communications, Inc.

Response: Covoda Communications is owned by Mark, Nancy and Aaron Suto. It was created to offer newly developed VoIP services at a retail level, versus the current model for Toly which has strictly been a reseller of Telecomm Services to rural telephone companies across the country (for the past 20 years). Covoda Communications currently only does business in the state of Connecticut.

PJG1-10 Please describe Aaron, Nancy, and Mark W. Suto's association with Florida/U.S. Digital Networks, Inc.

Response: There is no association with Florida/US Digital Networks Inc this corporation was never active.

PJG 1-11 Please specify whether either company listed below are affiliates of Toly Digital Networks:

a. Covoda Communications, Inc.

Response: Covoda Communications Inc is an independent corporation with common ownership with Toly Digital Networks.

b. Florida/U.S. Digital Networks, Inc.

Response: Florida/US Digital Networks Inc. is not an active corporation and has no affiliation to Toly Digital Networks.

**STAFF'S FIRST SET OF DATA REQUESTS FOR
TOLY DIGITAL NETWORKS, INC.
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PJG 1-12 Is Toly Digital Networks planning to have employees in Arizona? If so, please indicate how many.

Response: No

PJG 1-13 Please indicate the total number of employees of Toly Digital Networks and its affiliates.

Response: Toly Digital currently has 16 employees.

PJG 1-14 While Toly Digital Networks will be providing certain of its services on an individual case basis ("ICB"), the Commission requires rates for all services within a Company's tariff regardless of the Company's intention to offer ICBs. On Original Sheet 17 of Toly Digital Network's proposed Arizona Telecommunications Tariff, at 3.5.1, Wholesale Services, Rates and Charges, Toly Digital Networks indicates that "wholesale services will be made available to eligible customers at rates to be determined on an Individual Case Basis".

- a. Please confirm whether Toly Digital Network's ICB rates will be predicated from the maximum rates for 1+ Dialing and Directory Assistance that are listed on Original Sheet 21 of Toly Digital Network's proposed tariff.

Response: Confirmed- Predicated at the maximum 0.35.

- b. If rates, other than those provided on Original Sheet 21, will be used to build ICB rates, please file a replacement tariff page including the additional proposed maximum rates.

Response: Sheet 21 is correct.

- c. In regards to filing of contracts, please confirm that Toly Digital Networks will comply with Arizona Administrative Code ("A.A.C.") R14-2-1115 C. 3.

Response: Confirmed as follows "C. Filing of Tariffs, Price Levels, and Contracts. Each telecommunications company governed by this Article shall file with the Commission current tariffs, price levels, and contracts that comply with the provisions of this Article and with all Commission rules, orders, and all other requirements imposed by the laws of the state of Arizona.

3. Contracts of telecommunications companies governed by this Article shall be filed with the Commission not later than five business days after execution. If the contract includes both competitive and noncompetitive services, it must be filed at least five

**STAFF'S FIRST SET OF DATA REQUESTS FOR
TOLY DIGITAL NETWORKS, INC.
DOCKET NO. T-20849A-14-0386**

business days prior to the effective date of the contract and must separately state the tariffed rate for the noncompetitive services and the price for the competitive services.

PJG 1-15 On Original Sheet 19 of Toly Digital Network's proposed Arizona Telecommunications Tariff, it is Staff's understanding that the rates listed on that page are Toly Digital Network's proposed Current/Effective Rates. If this is correct, Staff recommends that Toly Digital Networks specify such in the header and file a replacement tariff page. (E.g. Section 4 – Current/Effective Rates)

Response: The request has been updated and is attached to this request. Exhibit C

PJG 1-16 On Original Sheet 20 of Toly Digital Network's proposed Arizona Telecommunications Tariff, at 4.9, Toly Digital Networks proposes to charge a Carrier Cost Recovery Charge. Please be advised that Staff does not support such a fee. It is recommended that Toly Digital Networks remove this charge from its proposed tariff and file a replacement tariff page.

Response: Please see attached replacement tariff page. Exhibit C.

EXHIBIT A

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	File No. EB-08-TC-5721
)	
Toly Digital Network, Inc.)	NAL/Acct. No. 200932170830
)	
)	FRN: 0004344990

ORDER

Adopted: July 22, 2011

Released: July 25, 2011

By the Chief, Telecommunications Consumers Division, Enforcement Bureau:

1. In this Order, we adopt the attached Consent Decree entered into between the Enforcement Bureau ("Bureau") of the Federal Communications Commission ("FCC" or "Commission") and Toly Digital Network, Inc. ("Toly Digital" or "Company"). The Consent Decree terminates an investigation and Notice of Apparent Liability for Forfeiture ("NAL") by the Bureau against Toly Digital for possible violation of section 222 of the Communications Act of 1934, as amended ("Communications Act" or "Act"), 47 U.S.C. § 222, section 64.2009(e) of the Commission's rules, 47 C.F.R. § 64.2009(e), and the Commission's *EPIC CPNI Order*,¹ regarding Toly Digital's apparent failure to timely file a compliant annual customer proprietary network information ("CPNI") certification pursuant to section 64.2009(e).

2. The Bureau and Toly Digital have negotiated the terms of the Consent Decree that resolve this matter. A copy of the Consent Decree is attached hereto and incorporated by reference.

3. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree, terminating the investigation and cancelling the NAL.

4. In the absence of material new evidence relating to this matter, we conclude that our investigation raises no substantial or material questions of fact as to whether Toly Digital possesses the basic qualifications, including those related to character, to hold or obtain any Commission license or authorization.

5. Accordingly, **IT IS ORDERED** that, pursuant to sections 4(i) and 503(b) of the Communications Act of 1934, as amended,² and sections 0.111 and 0.311 of the Commission's rules,³ the Consent Decree attached to this Order **IS ADOPTED**.

¹ *Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information; IP-Enabled Services*, CC Docket No. 96-115; WC Docket No. 04-36, Report and Order and Further Notice of Proposed Rulemaking, 22 FCC Red 6927, 6953 (2007) ("*EPIC CPNI Order*"); *aff'd sub nom. Nat'l Cable & Telecom. Assoc. v. FCC*, 555 F.3d 996 (D.C. Cir. 2009).

² 47 U.S.C. §§ 154(i), 503(b).

³ 47 C.F.R. §§ 0.111, 0.311.

6. **IT IS FURTHER ORDERED** that the above-captioned investigation **IS TERMINATED** and the Notice of Apparent Liability for Forfeiture **IS CANCELLED**.

FEDERAL COMMUNICATIONS COMMISSION

Richard A. Hindman
Chief
Telecommunications Consumers Division
Enforcement Bureau

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	File No. EB-08-TC-5721
)	
Toly Digital Network, Inc.)	NAL/Acct. No. 200932170830
)	
)	FRN: 0004344990

CONSENT DECREE

1. The Enforcement Bureau ("Bureau") and Toly Digital Network, Inc. ("Toly Digital" or the "Company"), by their authorized representatives, hereby enter into this Consent Decree for the purpose of cancelling the Notice of Apparent Liability for Forfeiture ("NAL") and terminating the Enforcement Bureau's investigation into Toly Digital's possible noncompliance with the requirements of section 222 of the Communications Act of 1934, as amended ("Communications Act" or "Act"), 47 U.S.C. § 222, section 64.2009(e) of the Commission's rules, 47 C.F.R. § 64.2009(e), and the Commission's *EPIC CPNI Order*.¹

I. DEFINITIONS

2. For the purposes of this Consent Decree, the following definitions shall apply:
- (a) "Communications Act" or "Act" means the Communications Act of 1934, as amended, 47 U.S.C. § 151 *et seq.*
 - (b) "Adopting Order" means an Order of the Commission adopting the terms of this Consent Decree without change, addition, deletion, or modification.
 - (c) "Bureau" means the Enforcement Bureau of the Federal Communications Commission.
 - (d) "Commission" and "FCC" mean the Federal Communications Commission and all of its bureaus and offices.
 - (e) "Compliance Plan" means the program described in this Consent Decree at paragraph 10.
 - (f) "Effective Date" means the date on which the Commission releases the Adopting Order.
 - (g) "Investigation" means the investigation commenced by the Bureau's letter of inquiry² regarding whether Toly Digital violated the requirements of section 222 of the

¹ *Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information; IP-Enabled Services*, CC Docket No. 96-115; WC Docket No. 04-36, Report and Order and Further Notice of Proposed Rulemaking, 22 FCC Rcd 6927, 6953 (2007) ("*EPIC CPNI Order*"); *aff'd sub nom. Nat'l Cable & Telecom. Assoc. v. FCC*, 555 F.3d 996 (D.C. Cir. 2009).

² See Letter from Marcy Greene, Deputy Division Chief, Telecommunications Consumers Division, Enforcement Bureau, FCC, to Toly Digital (Sept. 5, 2008).

Communications Act and section 64.2009(e) of the Commission's rules by failing to file a compliant customer proprietary network information ("CPNI") certification.³

- (h) "Toly Digital" means Toly Digital Network, Inc. and its predecessors-in-interest and successors-in-interest.
- (i) "NAL" means Notice of Apparent Liability for Forfeiture.
- (j) "Parties" means Toly Digital and the Bureau.

II. BACKGROUND

3. Section 222 imposes the general duty on all telecommunications carriers to protect the confidentiality of their subscribers' proprietary information.⁴ The Commission has issued rules implementing section 222 of the Act.⁵ The Commission required carriers to establish and maintain a system designed to ensure that carriers adequately protected their subscribers' CPNI. Section 64.2009(e) is one such requirement.

4. In 2006, some companies, known as "data brokers," advertised the availability of records of wireless subscribers' incoming and outgoing telephone calls for a fee.⁶ Data brokers also advertised the availability of certain landline toll calls.⁷ On April 2, 2007, the Commission strengthened its privacy

³ 47 C.F.R. 64.2009(e).

⁴ Section 222 of the Communications Act, 47 U.S.C. § 222, provides that: "Every telecommunications carrier has a duty to protect the confidentiality of proprietary information of, and relating to, other telecommunications carriers, equipment manufacturers, and customers, including telecommunication carriers reselling telecommunications services provided by a telecommunications carrier." Prior to the 1996 Act, the Commission had established CPNI requirements applicable to the enhanced services operations of AT&T, the Bell Operating Companies ("BOCs"), and GTE, and the customer premises equipment ("CPE") operations of AT&T and the BOCs, in the Computer II, Computer III, GTE Open Network Architecture ("ONA"), and BOC CPE Relief proceedings. *See Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information and Implementation of Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended*, CC Docket Nos. 96-115 and 96-149, Second Report and Order and Further Notice of Proposed Rulemaking, 13 FCC Rcd 8061, 8068-70, para. 7 (1998) ("CPNI Order") (describing the Commission's privacy protections for confidential customer information in place prior to the 1996 Act.)

⁵ *See CPNI Order. See also Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information and Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended*, CC Docket Nos. 96-115 and 96-149, Order on Reconsideration and Petitions for Forbearance, 14 FCC Rcd 14409 (1999); *Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information and Implementation of Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended*, CC Docket Nos. 96-115 and 96-149; 2000 Biennial Regulatory Review -- Review of Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, CC Docket No. 00-257, Third Report and Order and Third Further Notice of Proposed Rulemaking, 17 FCC Rcd 14860 (2002); *EPIC CPNI Order*.

⁶ *See, e.g.,* <http://www.epic.org/privacy/iei/>.

⁷ *See id.*

rules with the release of the *EPIC CPNI Order*,⁸ which adopted additional safeguards to protect CPNI against unauthorized access and disclosure. The *EPIC CPNI Order* was directly responsive to the actions of databrokers, or pretexters, to obtain unauthorized access to CPNI.⁹ The *EPIC CPNI Order* requires that all companies subject to the CPNI rules file annually, on or before March 1, a certification with the Commission pursuant to amended rule 47 C.F.R. § 64.2009(e).¹⁰ Additionally, companies must now provide, with their certification, “an explanation of any actions taken against data brokers and a summary of all customer complaints received in the past year concerning the unauthorized release of CPNI.”¹¹

5. The Bureau sent a Letter of Inquiry (“LOI”) to Toly Digital on September 5, 2008, asking it to provide copies and evidence of its timely filed CPNI compliance certificate for 2007, which was due by March 1, 2008, pursuant to section 64.2009(e) of the Commission’s rules or an explanation as to why no certification was filed.¹² Toly Digital submitted a response to the LOI on September 16, 2008.¹³ The Bureau concluded that Toly Digital failed to submit satisfactory evidence of its timely filing of the annual CPNI compliance certification.¹⁴ Accordingly, on February 24, 2009, the Bureau released the *Omnibus NAL* against numerous companies, including Toly Digital, proposing a monetary forfeiture of twenty thousand dollars (\$20,000) for its apparent failure to comply with section 64.2009(e) of the Commission’s rules,¹⁵ and the Commission’s *EPIC CPNI Order*, and ordered the Company either to pay the proposed forfeiture or file a written response within thirty (30) days of the release date stating why the proposed forfeiture should be reduced or canceled. Toly Digital and the Bureau entered into settlement discussions.

III. TERMS OF AGREEMENT

6. **Adopting Order.** The Parties agree that the provisions of this Consent Decree shall be subject to final approval by the Bureau by incorporation of such provisions by reference in the Adopting Order without change, addition, modification, or deletion.

⁸ *EPIC CPNI Order*, 22 FCC Rcd 6927. Specifically, pursuant to section 64.2009(e): A telecommunications carrier must have an officer, as an agent of the carrier, sign and file with the Commission a compliance certificate on an annual basis. The officer must state in the certification that he or she has personal knowledge that the company has established operating procedures that are adequate to ensure compliance with the rules in this subpart. The carrier must provide a statement accompanying the certification explaining how its operating procedures ensure that it is or is not in compliance with the rules in this subpart. In addition, the carrier must include an explanation of any actions taken against data brokers and a summary of all customer complaints received in the past year concerning the unauthorized release of CPNI. This filing must be made annually with the Enforcement Bureau on or before March 1 in EB Docket No. 06-36, for data pertaining to the previous calendar year. 47 C.F.R. § 64.2009(e).

⁹ *EPIC CPNI Order*, 22 FCC Rcd at 6928.

¹⁰ *Id.* at 6953; 47 C.F.R. § 64.2009(e).

¹¹ *EPIC CPNI Order*, 22 FCC Rcd at 6953.

¹² See note 2, *supra*.

¹³ See email from Mark Suto to Marcy Greene (Sept. 16, 2008).

¹⁴ *Annual CPNI Certification*, Omnibus Notice of Apparent Liability for Forfeiture, 24 FCC Rcd 2299 (Enf. Bur. 2009) (“*Omnibus NAL*”).

¹⁵ *Id.*

7. **Jurisdiction.** Toly Digital agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and has the authority to enter into and adopt this Consent Decree.

8. **Effective Date; Violations.** The Parties agree that this Consent Decree shall become effective on the date on which the FCC releases the Adopting Order. Upon release, the Adopting Order and this Consent Decree shall have the same force and effect as any other Order of the Bureau. Any violation of the Adopting Order or of the terms of this Consent Decree shall constitute a separate violation of a Bureau Order, entitling the Bureau to exercise any rights and remedies attendant to the enforcement of a Bureau Order.

9. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate its investigation and to cancel the NAL. In consideration for the termination of said investigation and cancellation of the NAL, Toly Digital agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, the Bureau will not use the facts developed in this investigation through the Effective Date of the Consent Decree, or the existence of this Consent Decree, to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against Toly Digital concerning the matters that were the subject of the investigation. The Bureau also agrees that it will not use the facts developed in this investigation through the Effective Date of this Consent Decree, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or take any action on its own motion against Toly Digital's basic qualifications, including its character qualifications, to be a Commission licensee or authorized common carrier or hold Commission authorizations.

10. **Compliance Plan.** For purposes of settling the matters set forth herein and to help ensure compliance with the Commission's CPNI rules, Toly Digital agrees to take all measures necessary to achieve full compliance with section 64.2009(e) of the Commission's rules. Toly Digital agrees that within thirty (30) days its personnel will be trained as to when they are and are not authorized to use CPNI. Toly Digital further agrees to have an express disciplinary process in place for the unauthorized use of CPNI within thirty (30) days. Additionally, Toly Digital agrees to submit a copy of its annual section 64.2009(e) compliance certificate, which it is required to file annually in EB Docket 06-36, for each of two (2) years following the Effective Date of this Consent Decree to the Chief, Telecommunications Consumers Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W. Room 4-C244, Washington, D.C. 20554, and must include the file number listed above. Toly Digital will also send an electronic copy of its certification to other Telecommunications Consumers Division staff as directed by the Division Chief. This Consent Decree will expire two (2) years after the Effective Date or upon the termination of the certification requirement set forth in section 64.2009(e) of the Commission's rules, 47 C.F.R. § 64.2009(e), whichever is earlier.

11. **Section 208 Complaints; Subsequent Investigations.** Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating complaints filed pursuant to section 208 of the Act against Toly Digital or its affiliates for alleged violations of the Act, or for any other type of alleged misconduct, regardless of when such misconduct took place. The Commission's adjudication of any such complaint will be based solely on the record developed in that proceeding. Except as expressly provided in this Consent Decree, this Consent Decree shall not prevent the Commission from investigating new evidence of noncompliance by Toly Digital of the Act, the rules, or the Adopting Order.

12. **Voluntary Contribution.** Toly Digital agrees that it will make a voluntary contribution to the United States Treasury in the amount of \$5,000.00. The contribution will be made within thirty (30) calendar days after the Effective Date of the Adopting Order. Payment must be made by check or

similar instrument, payable to the order of the Federal Communications Commission. The payment must include the NAL/Account Number and FRN referenced in the caption to the Adopting Order. Payment by check or money order may be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000. Payment by overnight mail may be sent to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101. Payment by wire transfer may be made to ABA Number 021030004, receiving bank TREAS/NYC, and account number 27000001. For payment by credit card, an FCC Form 159 (Remittance Advice) must be submitted. When completing the FCC Form 159, enter the NAL/Account number in block number 23A (call sign/other ID), and enter the letters “FORF” in block number 24A (payment type code). Toly Digital will also send electronic notification on the date said payment is made to johnny.drake@fcc.gov.

13. **Waivers.** Toly Digital waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order, provided the Commission issues an Adopting Order adopting the Consent Decree without change, addition, modification, or deletion. Toly Digital shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Adopting Order, neither Toly Digital nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and Toly Digital shall waive any statutory right to a trial *de novo*. Toly Digital hereby agrees to waive any claims it may otherwise have under the Equal Access to Justice Act, 5 U.S.C. § 504 and 47 C.F.R. § 1.1501 *et seq.*, relating to the matters addressed in this Consent Decree.

14. **Severability.** The Parties agree that if any of the provisions of the Adopting Order or the Consent Decree shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Adopting Order or Consent Decree, but rather the entire Adopting Order or Consent Decree shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly. In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

15. **Subsequent Rule or Order.** The Parties agree that if any provision of the Consent Decree conflicts with any subsequent rule or Order adopted by the Commission (except an Order specifically intended to revise the terms of this Consent Decree to which Toly Digital does not expressly consent) that provision will be superseded by such Commission rule or Order.

16. **Successors and Assigns.** Toly Digital agrees that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees.

17. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties. The Parties further agree that this Consent Decree does not constitute either an adjudication on the merits or a factual or legal finding or determination regarding any compliance or noncompliance with the requirements of the Act or the Commission’s rules and Orders.

18. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

19. **Paragraph Headings.** The headings of the Paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

20. **Authorized Representative.** Each party represents and warrants to the other that it has full power and authority to enter into this Consent Decree.

21. **Counterparts.** This Consent Decree may be signed in any number of counterparts (including by facsimile), each of which, when executed and delivered, shall be an original, and all of which counterparts together shall constitute one and the same fully executed instrument.

Richard A. Hindman
Chief
Telecommunications Consumers Division
Enforcement Bureau

Date

Mark Suto
Vice President
Toly Digital Network, Inc.

Date

EXHIBIT B



EXHIBIT B

TOLLY DIGITAL NETWORK'S TEAM

Mark W. Suto - CEO/Director of TDN since founding the company in 1995. Over 30 years of experience in the Telecommunications Industry, to include; Director/General Manager of Commonwealth Long Distance (CLD) from 1990-1995, Director for Communications Transmission, Inc, Austin Texas, Regional Marketing Manager for MCI, and Manager roles at AT&T, Bell South and Verizon Telephone Companies.

Aaron M. Suto - Since joining TDN in February, 1997, has lead TDN's sales and service efforts. As President, he ensures that the products & service of TDN position the company to be a leader in the marketplace. He is responsible for developing strategic alliances with TDN's partners, which include a wide array of top tier Carriers.

Nancy Suto - Has been with TDN since the company was founded in 1995. Nancy is currently responsible for managing a large portion of the billing process and maintaining the TDN website. She has held numerous roles to include; managing technical support and implementation of new systems, carrier platforms and TDN networks and technology. She also has been the creative drive behind TDN Marketing efforts.

Mark E. Suto - Joined TDN in October, 2003. Mark is responsible for overseeing TDN operations and customer support functions. He brings 20 years of operations experience to include; SVP of Credit Card Customer Service and VP of Fraud Prevention for Bank of America, VP of Fraud Prevention and Customer Service for Household Credit Services, and American Express and the Federal Reserve Bank of Miami, following his time in the Military.

Jill Jobson - Has also been with TDN since it was founded in 1995. Has had the role of managing customer service operations to support TDN customers. She has played the lead role in supporting the transition and implementation of new TDN customers. Prior to TDN, worked as a Customer Support Specialist for Commonwealth Long Distance, and as an Account Sales Rep for Northeastern Communications, Dallas PA.

Shawn Marie Cunningham - Joined TDN in September, 2011 bringing 10 years of Telecom Sales & Consulting experience. Shawn's strengths are working with key strategic clients, vendors & colleagues to deliver professional advice, guidance & recommendations for solutions to ensure overall customer needs & expectations are satisfied. Prior to Telecom, Shawn spent 10 years as a managerial accountant responsible for preparing profit & loss statements and was a member of the International 5-yr Long Range Planning Team for Welch's.

Stuart Holden - Joined TDN in February, 2010. Stuart's role at TDN has focused on enhancing TDN's infrastructure to include developing a new in-house billing system and pricing models. Prior to TDN was Co-Founder of two startup companies; one of which was awarded third fastest growing technology company in Connecticut by Deloitte Touche, with revenues in excess of \$35M/year. 15 years with ITT in telephone switch development and 10 years with Southern New England Telephone (SNET) now SBC. At SBC developed numerous projects to aid Network Operations, such as Calling Card Validation, Fraud Control, SS7 Billing System, Service Order Prioritization, Building Access Control System, etc. Technical lead on SNET's Internet Product, Statewide ACD and ISDN Cost Modeling

EXHIBIT C

SECTION 4 - Current/Effective Rates

4.1 1+ Dialing

\$0.07 per minute. Billed in one minute increments.
A \$5.00 per month installation fee applies
Monthly recurring charge \$10.00

4.2 Toll Free Service

Installation fee: None
Monthly recurring charge: \$20.00

4.3 Prepaid Travel Cards

Monthly recurring charge: \$5.00
A surcharge of \$.035 will apply per call

4.4 Directory Assistance

\$0.65 per call

4.5 Returned Check Charge

\$20.00

4.6 Prepaid Calling Cards

Prepaid calling cards are available for Five Dollars (\$5.00), Ten Dollars (\$10.00), Twenty-Five Dollars (\$25.00) and Fifty Dollars (\$50.00) unit denominations. There are no surcharges for this Service. Billing increments for the initial and additional minutes are one minute. Prepaid Calling Cards may be recharged in One Dollar (\$1.00) increments (minimum Five Dollars (\$5.00)). Prices are inclusive of taxes and apply twenty-four (24) hours per day, seven (7) days per week.

4.7 Universal Service Fund Assessment & Arizona Universal Service Fund Assessment

The Customer will be assessed a monthly Universal Service Fund Contribution charge and a separate Arizona Service Fund Contribution charge on all telecommunications services, which in no event shall be less than the prevailing contribution percentage rate charged the Company on intrastate traffic by the Universal Service Administrative Company (or any successor) or any state agency or its administrator.